



Chesapeake Public Schools  
School Administration Building  
Post Office Box 16496  
Chesapeake, Virginia 23328

May 24, 2010

Dear Citizens of Chesapeake:

Enclosed please find the approved 2010-2011 Operating Budget for Chesapeake Public Schools. The total approved budget is **\$368,344,928** which represents a decrease of **-\$29,044,148** or **-7.3%** from the budget for the 2009-2010 school year. Student enrollment is projected to decline 100 students, which will be the fifth straight year of enrollment decline. As a result of continuing changes in economic conditions in our world, our nation, our state, and our city, revenue projections continue to show massive decreases. State, city, federal, and local revenue resources are projected as follows:

<u>Resource</u>	<u>Current 09/10</u>	<u>Approved 10/11</u>	<u>Decr/Incr</u>	<u>% Decr/Incr</u>
Federal	3,000,000	3,000,000	0	0%
State	217,975,109	195,835,725	-22,139,384	- 10.16%
General Fund	173,343,767	166,488,283	-6,855,484	-3.96%
Other Local	<u>3,070,200</u>	<u>3,020,920</u>	<u>-49,280</u>	<u>-1.61%</u>
Total	397,389,076	368,344,928	-29,044,148	-7.31%

The future of our school division continues to be guided by seven strategic goals. These goals provided the framework and guiding principles for adjusting our spending plan and formulating the 2010-2011 budget. The goals adopted by the School Board are as follows:

- **ensure school safety**
- **ensure rigorous educational standards**
- **broaden community involvement**
- **provide effective staff training**
- **optimize the use of technology**
- **evaluate the effectiveness and efficiency of what we do**
- **provide optimal school facilities**

With reductions of the magnitude required in the budget, it was quickly determined that there was no one single solution and reductions would have to come from various sources. Every effort was made to take reductions from non-personnel related items such as out-of-town travel, supplies, Dual Enrollment tuition, AP exam fees, Chrysler Hall and Young Audience concerts, site surveys, staff training, summer school, SECEP slots, Career Commitment program, and consultants for program evaluation and technology.

Alternative sources of funding were sought for costs previously funded by the operating budget. Stimulus funding (State Fiscal Stabilization Fund) provided by the American Recovery and Reinvestment Act of 2009 (ARRA) will be used for items such as technology equipment and classroom furniture. The Self Insurance Fund will support the increase in medical insurance premiums and the Diabetes management program.

Revenue increases were approved for driver's education behind-the-wheel training and tuition for adult education special interest and computer classes. The Gold Card program was changed to include a fee for the gold card and reduced tuition for gold card holders. Reductions were made in personnel related expenses limiting or eliminating part-time, summer and overtime work, adjusting budgets for substitutes, reducing the number of extended contract days and limiting the use of clerical temporary assistance.

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The final area affected was reductions in personnel. The FY 2010-11 budget calls for the reduction of 180 positions; 90 positions eliminated and 90 positions transferred to Stimulus (SFSF) funding. These reductions retained positions that otherwise would have resulted in layoffs. FY 2010-11 marks the second consecutive budget year (2009-10 and 2010-11) in which positions have been reduced to meet available funding. Since FY 08/09, a total of 415 positions have been eliminated from the operating budget (207 eliminated and 208 moved to Stimulus (SFSF) and ARRA grant funding.

While the preceding discussion provides a brief overview of the budget, it is the human factor that concerns us the most. Attracting and retaining the best professional and support staff is critical to accomplish the instructional tasks before us. Regrettably, for the second year in a row, the budget includes no funding to provide a salary increase for employees, and no funding to implement the second year of the salary study.

The alignment of a comprehensive and responsible spending plan in times of economic distress with the strategic goals of our school division was the result of many hours of work and much deliberation. Again this year, the process called for many difficult choices but the approved budget meets the challenges we face in these uncertain times and makes every effort to retain to the extent possible the high standards that have made our students successful. The budget process is evidence of our efforts to **work together to educate all of the children of all of the citizens of Chesapeake.**

Sincerely,

THE SCHOOL BOARD OF THE CITY OF CHESAPEAKE

Dr. Sheila G. Hill-Russ, Chairman  
Mr. Harry A. Murphy, Vice Chairman  
Mr. C. Jeff Bunn  
Mrs. Barbara B. Head  
Mrs. Brenda J. Johnson  
Mr. James A. Leftwich, Jr.  
Mr. Thomas Mercer, Sr.  
Mr. Michael J. Woods